

**Description:**

To equitably, effectively and efficiently administer the Idaho Insurance Code.

**Major Functions and Targeted Performance Standard(s) for Each Function:**

1. To monitor the condition of domestic, foreign and alien insurers.

A. Accreditation status of the Idaho Department of Insurance as determined by the NAIC.

Actual Results			
<u>2001</u> accredited	<u>2002</u> accredited	<u>2003</u> accredited	<u>2004</u> accredited
Projected Results			
<u>2005</u> accredited	<u>2006</u> accredited	<u>2007</u> accredited	<u>2008</u> accredited

B. The number of company financial analyses completed.

Actual Results			
<u>2001</u> 260	<u>2002</u> 250	<u>2003</u> 260	<u>2004</u> 245
Projected Results			
<u>2005</u> 260	<u>2006</u> 260	<u>2007</u> 260	<u>2008</u> 260

C. The number of company examinations completed.

Actual Results			
<u>2001</u> 6	<u>2002</u> 8	<u>2003</u> 14	<u>2004</u> 5
Projected Results			
<u>2005</u> 5	<u>2006</u> 7	<u>2007</u> 7	<u>2008</u> 7

2. To provide timely approval/disapproval of applications for a certificate of authority to do business as an insurer in the State of Idaho.

A. The number of applications received.

Actual Results			
<u>2001</u> 57	<u>2002</u> 63	<u>2003</u> 55	<u>2004</u> 65
Projected Results			
<u>2005</u> 60	<u>2006</u> 60	<u>2007</u> 65	<u>2008</u> 70

B. The number of applications approved or disapproved within thirty days of receipt of a complete application.

Actual Results			
<u>2001</u> 42	<u>2002</u> 45	<u>2003</u> 40	<u>2004</u> 60
Projected Results			
<u>2005</u> 45	<u>2006</u> 45	<u>2007</u> 50	<u>2008</u> 65

## Insurance, Department of Insurance Regulation

3. To efficiently complete insurance company supervisions, rehabilitations and liquidations.

A. The number of supervisions, rehabilitations and liquidations in progress.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
1	1	1	2
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
2	1	1	1

B. The number of supervisions, rehabilitations and liquidations completed.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
1	0	0	0
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
0	1	0	0

4. To provide an effective file and use system for insurance policy rates and forms.

A. The number of rates and forms filed.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
49,602	51,083	46,219	47,489
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
48,000	48,000	48,000	48,000

B. The number of rates and forms analyzed.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
5,187	6,605	11,183	6,878
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
5,200	5,200	5,200	5,200

C. The number of rates and forms reviewed.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
3,020	2,404	2,113	1,110
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
2,500	2,500	2,500	2,000

5. To efficiently collect and account for premium taxes and audit tax and fee returns.

A. The number of returns filed.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
13,305	12,444	14,855	17,621
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
12,121	12,363	12,611	12,863

B. The number of returns audited.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
12,805	12,444	14,855	17,621
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
12,121	12,363	12,611	12,863

C. The amount of tax and fees collected.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
\$61,780,572	\$70,230,072	\$75,718,492	\$82,799,655
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$84,767,939	\$81,226,313	\$82,446,034	\$82,456,823

6. To efficiently license insurance producers.

A. Number of new license applications received.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
9,312	7,304	11,559	12,000
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
15,000	16,000	18,000	18,000

B. Average turn around time on license requests.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
10 days	5 days	15 days	15 days
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
8 days	8 days	8 days	8 days

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C. Number of agent appointments received from insurance companies.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
36,763	48,642	84,342	90,000
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
100,000	110,000	120,000	125,000

D. Average turn around time on agent appointments. (\*All appointments done electronically)

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
3 days	1 day	1 day	1 day
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
1 day	1 day	1 day	1 day

E. Number of continuing education courses received.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
2,244	1,821	2,006	2,300
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
2,500	2,700	3,000	3,000

F. Average turn around time on course approvals.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
15 days	15 days	15 days	15 days
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
15 days	15 days	15 days	15 days

7. To provide an effective forum for the analysis and resolution of consumer and industry inquiries and complaints.

A. The number of written inquiries and complaints received.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
1,440	1,519	1,394	1,215
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
2,000	2,100	2,100	2,200

B. The number of telephone inquiries.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
12,554	12,043	11,804	9,992
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
15,000	17,000	18,000	18,000

C. The dollar value of claims paid to complainants due to intervention by Consumer Affairs.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
\$3,455,344	\$1,516,086	\$1,448,528	\$1,155,696
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$2,000,000	\$2,500,000	\$2,500,000	\$2,500,000

8. To deal appropriately with allegations of violations of the insurance code involving marketing practices.

A. Number of cases opened for investigation by the department.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
302	251	260	238
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
350	375	400	400

B. Number of investigations referred for administrative or civil action.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
20	44	58	50
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
60	65	65	65

C. Number of cases in which administrative or civil action was taken.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
12	30	22	29
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
30	30	32	33

## Insurance, Department of Insurance Regulation

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9. To develop a statewide program to investigate allegations of insurance fraud.

A. Number of cases referred to the department.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
302	251	260	300
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
325	350	375	238

B. Number of cases submitted for prosecution.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
38	44	58	39
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
50	55	58	58

C. Number of cases in which the defendant pled guilty or was convicted of insurance fraud.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
21	30	10	18
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
20	20	25	25

**Program Results and Effect:**

The Department continues to develop an analysis driven approach to financial/regulatory monitoring which we believe enhances departmental responsiveness by maintaining a higher level of ongoing knowledge of company condition and reducing dependence on dated information received from periodic financial examinations.

We now utilize the NAIC Uniform Certificate of Authority Application and we share the standard goal of processing Primary applications within 90 days of receipt and Expansion and Corporate Amendments Applications within 60 days of receipt. Many of the applications are reviewed and approved or disapproved within 30 days.

The Department's premium tax section had gross collections for the fiscal year of over \$78.6 million. Of this amount, approximately \$4.0 million was distributed to the Fireman's Retirement, \$4.7 million to the Refund Account, \$5.2 million to the High Risk Reinsurance Pool, and 2.7 to the Access Card. The remaining \$62.84 million transferred to the General Fund was 10.7% greater than projected.

After 5 consecutive years of unparalleled growth, the numbers of new insurance producers has finally leveled off. The producer licensing section currently maintains licensing records for some 30,000 producers. Passage of the NAIC Producer Licensing Law has made licensing from state to state easier and less complicated. This licensing uniformity has had a dramatic effect on the licensing process making it less confusing and consequently has decreased duplicate handling of applications due to applicant error.

The signing of NAIC Continuing Education Reciprocity Agreement has reduced the number of Continuing Education courses that have to be reviewed by our Continuing Education Committee and have had a positive effect on the number of courses being approved each month.

Introduction of electronic license renewal, the electronic application process, and electronic fingerprinting in the near future, should have a dramatic effect on the licensing workload.

Insurance fraud in the United States and Idaho continues to cost the insurance buying public in terms of higher premiums. The aggressive pursuit to curb the increase of this type of crime is one of the objectives of our investigative section. This objective is being accomplished through cooperative investigative efforts with the industry and local law enforcement bureaus and through public education.

For more information contact Mary Hartung at 334-4250.

## Insurance, Department of

### Division of State Fire Marshall

#### Description:

Participate in and coordinate an integrated statewide system designed to protect human life from fire and explosion through fire prevention and investigation.

#### Major Functions and Targeted Performance Standard(s) for Each Function:

1. To provide a statewide program for fire prevention.

A. Review, amend and adopt uniform fire codes and standards within one year of publication.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
-	1	-	-
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
1	0	0	1

B. Meet with local authorities yearly or at their request regarding local problems and concerns that effect code future adoptions.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
298	310	124	156
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
250	160	250	250

C. Provide informal code interpretations and answer code questions daily by phone and personal visits.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
5,037	5,500	5,600	5,600
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
5,700	5,850	5,850	5,850

D. Provide formal code interpretations within 30 days of request.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
6	15	10	6
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
12	15	15	15

E. Develop and present instructional courses and training materials within six months after the adoption of new fire codes.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
18	20	11	34
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
30	32	32	34



F. Respond to requests for fire code training within two weeks of request.

Actual Results			
<u>2001</u> 100%	<u>2002</u> 100%	<u>2003</u> 100%	<u>2004</u> 100%
Projected Results			
<u>2005</u> 100%	<u>2006</u> 100%	<u>2007</u> 100%	<u>2008</u> 100%

G. Respond to local government requests for building inspection assistance within two weeks.

Actual Results			
<u>2001</u> 220	<u>2002</u> 200	<u>2003</u> 155	<u>2004</u> 224
Projected Results			
<u>2005</u> 200	<u>2006</u> 210	<u>2007</u> 210	<u>2008</u> 220

H. Provide building inspection reports to local authorities within two weeks of completed inspection.

Actual Results			
<u>2001</u> 100%	<u>2002</u> 100%	<u>2003</u> 100%	<u>2004</u> 100%
Projected Results			
<u>2005</u> 100%	<u>2006</u> 100%	<u>2007</u> 100%	<u>2008</u> 100%

I. Respond to requests for sprinkler plan reviews within two weeks.

Actual Results			
<u>2001</u> 310	<u>2002</u> 275	<u>2003</u> 217	<u>2004</u> 305
Projected Results			
<u>2005</u> 250	<u>2006</u> 250	<u>2007</u> 250	<u>2008</u> 250

J. Provide written sprinkler plan reviews within five days of review completion.

Actual Results			
<u>2001</u> 100%	<u>2002</u> 100%	<u>2003</u> 100%	<u>2004</u> 100%
Projected Results			
<u>2005</u> 100%	<u>2006</u> 100%	<u>2007</u> 100%	<u>2008</u> 100%

K. Increase the number of local authorities reporting fire statistics on a voluntary basis by ten percent (10%).

Actual Results			
<u>2001</u> 134	<u>2002</u> 150	<u>2003</u> 158	<u>2004</u> 157
Projected Results			
<u>2005</u> 165	<u>2006</u> 181	<u>2007</u> 185	<u>2008</u> 185

**Insurance, Department of**  
**Division of State Fire Marshall**

L. Train local authorities to increase accuracy of fire statistical reports.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
12	25	18	15
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
20	20	25	20

2. To investigate fires and assist in the prosecution of arson claims at the request of local units of government.

A. Respond to request for investigation of fire within 24 hours

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
132	140	168	111
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
160	165	165	165

B. Provide written investigative report within ten days.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
100%	100%	100%	100%
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
100%	100%	100%	100%

C. Provide assistance to local prosecuting attorneys within 24 hours of request.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
100%	100%	100%	100%
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
100%	100%	100%	100%

D. Maintain up-to-date instructional courses and training materials to keep pace with the changing technology of fire investigation.

Actual Results			
<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
18	20	13	12
Projected Results			
<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
15	16	16	16

E. Respond to requests for fire investigation training with two weeks of request.

Actual Results			
<u>2001</u> 100%	<u>2002</u> 100%	<u>2003</u> 100%	<u>2004</u> 100%
Projected Results			
<u>2005</u> 100%	<u>2006</u> 100%	<u>2007</u> 100%	<u>2008</u> 100%

**Program Results and Effect:**

The State Fire Marshal's ability to adopt new codes and train local officials in their use will reduce the losses citizens are subject to from fire. The office has the responsibility to provide plan review and construction inspections for all State buildings that are, by statute definition, under its authority. Providing limited manpower to assist local authorities with inspections and plan reviews aids small communities with volunteer or limited paid departments that are unable to complete these tasks. All local inspections and plan reviews are done at the request of local authorities. The collection and tabulation of fire data is vital to establish trends and code deficiencies. The investigations of fires and the prosecution of arson cases in small communities serve as a deterrent. All local investigations are done at the request of local authorities.

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